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15 February 1975

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Ambassador William E. Colby, Director  
Washington D.C. 20505

Dear Ambassador Colby:

We read in the newspaper today that twenty or so members of the U.S. Senate and House will be coming to Vietnam shortly to assess aid requirements. Considering the mood of the Congress and the economic conditions of the U.S. we are of course concerned that not enough help will be forthcoming and that all efforts of the past ten years will be wasted. While I regret, and apologize, for not writing to you before this time, I write now because I believe we could contribute constructively to the proposed visit, if we had the opportunity.

Since last meeting you in Washington, I have developed a small business engaged in boat building, shrimping and oil drilling survey support, etc. Surprisingly enough, we have been successful in these endeavors and we have had a good deal of cooperation from the GVN itself. While we have not chalked up any great profits, we have learned, in intimate detail, what problems the average Vietnamese businessman faces here today; and we have found that in comparison to other countries of Southeast Asia, Vietnam has a better than average chance to prosper.

My good friend Charles Munroe has placed himself in an even better position to evaluate the economy of Vietnam. With ten years in country he has, singlehandedly, on a direct hire Plaster salary from the Vietnamese Government, written the securities market-investment banking decree signed into law by the Prime Minister in 1973. He now has fifty students, from most of the major banks in Vietnam, in training to assume the task of raising the capital needed for the development of this country through their future roles as investment bankers-securities brokers.

As you know, I learned the hard way that criticism itself doesn't do anything constructive, so I can assure you my comments these days are strictly in the positive direction. With this in mind then, we would like the opportunity to talk to one, or more, of the members of the delegation with the hopes of accentuating the positive steps that can be taken to get the economy of Vietnam moving.

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For example:

A program for a reduction in direct aid and a greater emphasis on long term soft loans. With the discovery of oil here (and it looks very good), Viet Nam will be able to repay these loans and will be relieved of the dread of a cut-off every 12 months--and without the stigma of begging for money. Additionally, long term loans can provide, for the first time in memory, real stability that the business community needs for realistic corporate planning.

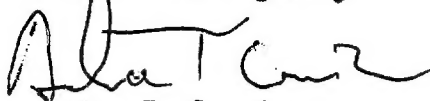
I think Mr. Munroe's investment banking ideas should also be examined more closely. Today we know of tens of billions of piasters not in the banking system that are not being utilized. Mr. Munroe has shown me a number of projects that have failed to materialize because of the lack of a system to attract private funds into development projects. In particular: the Hyatt House Hotel, and the Urea Fertilizer Plant that the Ambassador himself mentioned before the foreign relations committee in July of last year.

Of course, many of the old hang-ups in government (both ours and theirs) still persist today, but it has been our experience that these obstacles can be overcome through strong development of the private sector. The soft loan concept could permit long term planning, and could be handled through an international bank, or at least through a bank not connected with government policy. In addition, the funds would go directly to the entrepreneur, without the delays he is now facing.

The investment banking plan will provide a vehicle for private investment in Viet Nam and will bring with it managerial talent directly responsible to a wide base of new stockholders. This will reduce, markedly, the present degree of inefficiency and common entanglements of business and politics in general and will positively reduce the present concentration of capital. This is what the people of Viet Nam want.

Although I am sure that the objectives of the U.S. Embassy and USAID are the same as ours, I am of the opinion that it would be beneficial to have comment, of a constructive nature, from parties outside of the U.S. or Vietnamese governments. Possibly these comments might be persuasive, simply because they come from operational experience. If you agree, I would appreciate any assistance you can render in arranging a meeting between the delegates and Mr. Munroe and myself.

With best regards,

  
Alan T. Grandon  
President